GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:69
ANSWERED ON:03.12.2015
National Rural Livelihood Mission
Patel Shri Prahlad Singh

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government seeks/ proposes to seek consultancy services from experienced firms for management support for implementing the National Rural Livelihood Mission (NRLM) in the country;

(b) if so, the details thereof along with proposed consultancy fee as well as the criteria for selecting the Consultancy firm for the purpose;

(c) whether the Government has come across any irregularities in the implementation of NRLM and if so, the reaction of the Government thereto; and

(d) the estimated number of households whose income has been increased as a result of NRLM in the country, State/UT-wise?

Answer

MINISTER OF RURAL DEVELOPMENT
(SHRI BIRENDER SINGH)

(a) to(d): A statement is laid on the Table of the House.

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Statement referred in reply to parts (a) to (d) of the Lok Sabha Starred Question No. 69 for answer on 03.12.2015

(a) and (b): The Ministry of Rural Development launched National Rural Livelihoods Mission (NRLM) in June, 2011. NRLM laid emphasis on promotion of professionally competent and dedicated implementation structures at the national, state, district and sub-district level for managing and supporting mission activities. For this purpose a National Mission Management Unit (NMMU) was constituted at the central level. Subsequently, the Ministry decided to engage the services of an agency for providing management support to NRLM, Ministry of Rural Development, under the World Bank aided National Rural Livelihood Project (NRLP). As per the terms of reference, the management agency was required to provide thematic support services for ideas incubation, framing of policy options and formulating implementation strategies for core programme implementation at both national and state level on key thematic areas such as social inclusion and community mobilization; institution building; financial inclusion; agriculture, livestock and non-farm livelihoods; jobs placement and market linked skill development; self-employment and micro-enterprise development; etc. The manpower was expected to provide the following services for supporting implementation of NRLM:-

â€¢ Thematic Support;

â€¢ Technical Assistance;

â€¢ Programme Management;

â€¢ Skill, Placement and Self Employment; and

â€¢ Convergence between NRLM and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

Based upon the Quality and Cost Based Selection Method (QCBS), M/s. DD International &N.R. Management Consultants India Pvt Ltd., in association with Strategic Alliance Management Service P Ltd.were awarded the contract. M/s. N.R. Management Consultant India Pvt. Ltd. had indicated that they would sign the contract as they were the Indian subsidiary of DD International (This was indicated in their Expression of Interest and Technical Bid submissions).The contract was signed by the Ministry of Rural Development and M/s. N.R. Management Consultants India Pvt Ltd., the managing agency, on 21st September, 2012 effective from 1st October, 2012.

As per the contract, the managing agency has been allowed 6% of the remunerations paid to the consultants as their charges plus service tax and other applicable taxes. Price adjustment of 5% will be applied after 12 months of contract period. In addition, they are reimbursed all other expenses on actual basis.

In the contract, it was inter alia provided that the time period shall be one year, though the total duration of the management support assignment will be for three years. Depending on the annual performance review of the consultant and available budget, the contract

would be extended further on a 12 monthly basis, up to a period of three years, with mutual agreement. In the meanwhile, in July 2013 National Rural Livelihoods Promotion Society (NRLPS) has been set up under the Ministry of Rural Development, to provide professional and technical support to the National and State Missions. Accordingly, it was decided that further extensions of contract would be done by this society. Subsequently, with mutual consent, the period of contract was further extended and will expire on 31st December, 2015.

NRLPS has already initiated the process to engage the services of an experienced consulting firm to provide management support services. The scope of work of the consulting firm would include recruitment of professional staff, support staff, management of pay roll and providing back-office support. The consulting fee will be determined through a bidding process. The consulting firm will be selected based on Quality and Cost Based selection method with 75% weightage to quality and 25% weightage to cost.

(c): Since NRLM is a centrally sponsored scheme, the responsibility of implementation rests with State Government/ State level agencies. Any complaint received regarding the implementation of the programme is forwarded to the concerned State Government / State level agency for appropriate action.

(d): NRLM was launched only on 3rdJune 2011. SimultaneouslyGram SwarozgarYojana (SGSY) was also under implementation till 31st March, 2013. From 1st April, 2013, SGSY ceased to exist and NRLM was completely under operation. Since, this is a process intensive programme and the programme has been fully in operation only from 1.4.2013, it is too early to make a formal assessment of income generation on account of this programme.